

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Commission,) Application No. NG-0013
on its own motion, to evaluate)
and establish, on a quarterly)
basis, an assessment for)
jurisdictional utilities) PROGRESSION ORDER NO. 16
pursuant to the State Natural)
Gas Regulation Act, Neb. Rev.)
Stat. § 66-1801 et seq.) Entered: July 24, 2007

BY THE COMMISSION:

The State Natural Gas Regulation Act (Act) requires that the Commission assess its expenditures for each quarter-year against all jurisdictional utilities, subject to certain adjustments. See Neb. Rev. Stat. section 66-1841. The Act provides that the Commission shall determine its expenditures for the given quarter within 30 days after such quarter. This order addresses the assessment for expenses during the fourth quarter of fiscal year 2006-2007, April through June 2007.

Actual fourth-quarter expenditures totaled \$135,612.41. Projected expenses for the first quarter of the 2007-2008 state fiscal year total \$106,368.22. The total balance in the State Natural Gas Regulation Cash Fund as of June 30, 2007, was \$74,441.39.

In the prior assessment period, the Commission's assessment reflected costs that were attributable to applications filed by Kinder Morgan, Inc., n/k/a SourceGas, LLC (SourceGas), but were in excess of the cap on direct assessments that applies to the company under Neb. Rev. Stat. § 66-1840. Because some of the costs in excess of the cap has already been assessed to SourceGas, a credit in the amount of \$22,257.48 was issued to the company by reducing its quarterly assessment issued April 10, 2007 in the above-captioned docket. Estimates for additional costs were also included in the quarterly assessment amount.

O P I N I O N A N D F I N D I N G S

Based upon the foregoing, the Commission finds that an assessment of \$100,000.00 is necessary to pay all expenses, to provide a sufficient reserve and to maintain a cash flow until the next assessment evaluation and collection.

Of the total assessment, \$36,783.77 is an adjustment that results from exceeding the cap for SourceGas as described above. Aquila and NorthWestern customers bore an additional share of the prior quarterly assessment. The April 10, 2007 quarterly

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assessment was recalculated to adjust for the impact of exceeding the cap for SourceGas and to eliminate costs directly attributable to SourceGas as investigation-related expenses.

Appendix A shows the allocation of the assessed amount to the Jurisdictional Utilities, as required by Section 66-1841(4) of the Act. The allocated amounts are based upon number of meters served, as reported by the Jurisdictional Utilities on or about April 30, 2007, pursuant to Rule 006, of the Commission Natural Gas and Pipeline Rules and Regulations (Neb. Admin. Code Title 291, Chapter 9).

The assessed amounts are as follows: for Aquila, \$23,996.64; for SourceGas, \$34,085.38; and for NorthWestern, \$5,134.21.

The Act permits a jurisdictional utility to recover the amount of any assessments or charges paid to the Commission pursuant to Section 66-1840 or 66-1841 as a special surcharge billed to ratepayers. The surcharge must be shown on customer billing statements as required by Section 66-1841(7)(a).

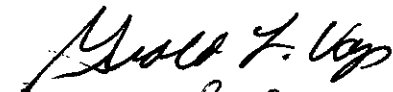
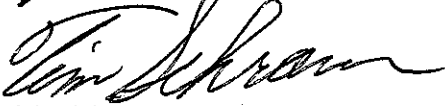
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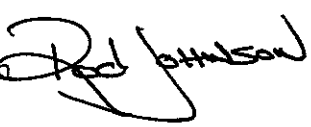
IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the Jurisdictional Utilities pay the amounts set forth above within 15 days from the date that notice of assessment is mailed, as required by Neb. Rev. Stat. § 66-1841(4).

MADE AND ENTERED at Lincoln, Nebraska, this 24th day of July, 2007.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:



//s// Rod Johnson
//s// Frank E. Landis

Chairman 

ATTEST:


Executive Director

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Appendix A

	12/31/06		Prorated		Adjusted
	<u>Meters</u>		<u>Assess.</u>	<u>Adjust.</u>	<u>Assess.</u>
Aquila	190,006	58.59%	58,587.23	-34,590.59	23,996.64
SourceGas	93,654	28.88%	28,877.66	5,207.72	34,085.38
Northwestern	<u>40,653</u>	<u>12.54%</u>	<u>12,535.11</u>	<u>-7,400.90</u>	<u>5,134.21</u>
Total	324,313	100.00%	100,000.00	-36,783.77	63,216.23

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